COMPLIANCE COMPONENT

DEFINITION	
Name	**A**merican **N**ational **S**tandards **I**nstitute (ANSI) X.12
Description	Also known as "ANSI X12" and "ASC X12," ANSI is one of the protocols used for electronic data interchange (EDI). X12 is the primary North American standard for defining EDI transactions. EDI involves the direct computer-to-computer exchange of formatted business transactions between two or more companies. EDI allows paper-based transactions to be replaced and handled electronically, faster, with fewer errors and with limited human intervention. ANSI X.12 is used extensively in Health Care, Finance, Government, Manufacturing and other industries. Examples of documents include Workers' Compensation injury reports, Health Care Claims, Medical Reports, Purchase Orders and Invoices. X12 formats are typically used with external EDI "Trading Partners" although some companies may use X12 formats internally between different applications or geographic locations. There are currently over 200 documents defined in the standard.
Rationale	ANSI X.12 and EDI are an important component of the continuing initiative within Missouri State government to improve the effectiveness and efficiency of administration through the use of electronic information systems technology. EDI allows organizations doing business in Missouri and other states to standardize their reporting across state jurisdictions, providing numerous benefits. Missouri must leverage EDI where possible in the day-to-day transactions taking place within state agencies to enhance customer service and reduce cost.
Benefits	EDI is a mutually beneficial strategy that simplifies and improves the way State business is conducted through faster reporting of data, reduction of paper-based transactions, reduction of postage, more accurate data and uniform reporting standards. ANSI X12 provides one methodology that can be used for numerous transaction types, reducing programming and maintenance requirements. EDI provides cost savings to organizations doing business in Missouri while saving taxpayer dollars by maximizing state resources.

ASSOCIATED ARCHITECTURE LEVELS	
Specify the Domain Name	Interoperability
Specify the Discipline Name	Data Exchange
Specify the Technology Area Name	Data Formats
Specify the Product Component Name	

COMPLIANCE COMPONENT TYPE	
Document the Compliance Component Type	Guideline.
Component Sub-type	

COMPLIANCE DETAIL	
State the Guideline, Standard or Legislation	**ANSI Guidelines** The X.12 standards provide a means to encode business documents

	so they may be interpreted by a computer application. The documents are organized as delimited data, meaning data is separated by "delimiter" characters rather than by fixed length fields and records. The standards provide means to organize this data into business documents called Transaction Sets, group these into groups of related documents called Functional Groups, and wrap these in an envelope called an Interchange. The X12 standard has many parts, but the essential portions are: • X12.5 - Defines the structure of the Interchange, i.e., the ISA and IEA envelope • X12.6 - Defines the syntax for the standard. Defines data types, valid formats for a segment (a record), rules for organizing segments into Transaction Sets (documents), and grouping Transaction Sets into Functional Groups, or the GS/GE envelope. • Data Element Dictionary - Provide definitions of individual fields, or data elements. Provides the lowest level of semantics, or meaning. • Segment Dictionary - Provides definitions of records, or segments. Specifies the data elements that may occur in a segment. Provides the next level of semantics. • Transaction Set Tables - Provide the layouts of the individual business documents, specifying the particular segments which may occur in a Transaction Set. Provides the highest level of semantics. **How it works:** EDI involves reformatting a standard computer flat file, as produced by an organization's business application systems, into a structured EDI format. This format must comply with specific industry standards. A specialized software program called an EDI translator performs this reformatting process. Once the file has been put into a structured format, it is transmitted by VAN (Value Added Network), Direct Connect, Internet or Third Party Administrator to the Trading Partner (e.g., customer with the State of Missouri). The VAN provides a service much like a post office. The VAN receives the transmitted documents and places these documents into an electronic mailbox for the receiving party to pick up. The receiving party can electronically access its mailbox and retrieve the transmitted documents. Once the electronic documents have been received/processed by the Trading Partner, acknowledgments are sent for each document back to the originating party. The acknowledgment documents are once again processed through an EDI translator and transmitted to the originating party. The translator receives the documents, which are still in EDI format, and translates them into a standard computer flat file. This flat file then can be formatted into a report and printed out or sent directly into a company's computer application for processing.
Document Source Reference #	**X12.ORG** http://www.x12.org/ **Tech Encyclopedia** http://www.globetechnology.com/site/techencyclopedia.html

Compliance Sources			
Name	American National Standards Institute	*Website*	http://www.ansi.org/

Contact Information			
Name		*Website*	
Contact Information			

KEYWORDS

List Keywords	**A**merican **N**ational **S**tandards **I**nstitute, ANSI, X12, X.12, ASC, Electronic Data Interchange, EDI

COMPONENT CLASSIFICATION

Provide the Classification	☐ *Emerging*	☒ *Current*	☐ *Twilight*	☐ *Sunset*
Sunset Date				

COMPONENT SUB-CLASSIFICATION

Sub-Classification	Date	Additional Sub-Classification Information
☒ *Technology Watch*	1/3/06	ASC X12's new XML architecture, called Context Inspired Component Architecture (CICA), enables state agencies to build XML business documents in a cross-industry setting.
☐ *Variance*		
☒ *Conditional Use*	N/A	ANSI X12 should only be used if external customers require data transmissions in this format.

Rationale for Component Classification

Document the Rationale for Component Classification	

Migration Strategy

Document the Migration Strategy	

Impact Position Statement

Document the Position Statement on Impact	

CURRENT STATUS

Provide the Current Status	☐ *In Development*	☐ *Under Review*	☒ *Approved*	☐ *Rejected*

AUDIT TRAIL

Creation Date	5/3/2005	*Date Approved / Rejected*	10/11/05
Reason for Rejection			
Last Date Reviewed		*Last Date Updated*	
Reason for Update			